



NEWS RELEASE

Office of the
United States Attorney
for the
District of Nebraska
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March 17, 2011

United States Attorney Deborah Gilg, the United States Secret Service and the United States Postal Inspection Service announce the following information for the attention of the media:

Event Triggering this Release:

Today, Clarence David Hergert, age 71, entered a plea of guilty before the Honorable Richard G. Kopf, United States District Judge, to the crime of submitting a false document to the First National Bank of Omaha in an attempt to influence the actions of the Bank in relation to a Loan Agreement between the Bank and Hergert Milling, Inc., a company owned by Hergert.

Hergert admitted that on June 8, 2005, he submitted a Borrowing Base Certificate to the First National Bank of Omaha as part of the requirements for the loan Hergert Milling, Inc., had with the Bank. Hergert admitted that the report he submitted was inflated to make the Bank believe his company held more collateral than it actually had. It was done to make it appear that he was in compliance with the terms of the Loan Agreement when, in fact, as Hergert knew, Hergert Milling Inc., did not have available eligible collateral to comply with the terms of the Loan. By submitting the false report, he attempted to influence the actions of the Bank in protecting its interests against Hergert Milling, Inc. and Hergert.

As part of the Plea Agreement with the United States, the parties agreed to recommend to the Court that Hergert be sentenced to a 5 year term of probation. As part of the sentence, Hergert must pay restitution in an amount to be determined later to the First National Bank of Omaha, pay the United States a fine of \$75,000.00, serve 6 months in the Home Confinement Program, and abide by such other conditions as the Court may require. Sentencing is set for June 9, 2011.

Name of Defendant: Clarence David Hergert

AKA:

Age: 71

City of residence: Mitchell, Nebraska

Crime(s) Charged and Potential Penalty (A CHARGE is merely an accusation and every defendant is

presumed innocent until and unless proven guilty): False Documents to a Bank, in violation of Title 18, United States Code, Section 1014. Penalties are up to 30 years in prison, a fine of up to \$1 million, up to 5 years of supervised release, and a \$100 special assessment.

Specific Location of Alleged Crime: Scottbluff, Nebraska

Location of Arrest:

Alleged Dollar Loss/Type and Quantity of Drug: Up to \$3 Million

Others Charged in Same Scheme:

Relevant Dates:

Date of Alleged Crime: June 8, 2005

Federal Arrest Date:

Date Complaint Issued:

Indictment Returned Date: 2-19-09

Initial Appearance Date: 3-10-09

Plea or Trial and Date(s): 3-17-11

Sentencing Date: 6-9-11

Next Court Hearing Type and Date: Sentencing

Assigned Magistrate Judge:

Held without Bond, or Released from Custody: Released

In Continuous Custody Since:

Assigned District Court Judge: Richard G. Kopf

Initials of Assigned AUSA/Preparer of THIS Release: SAR